

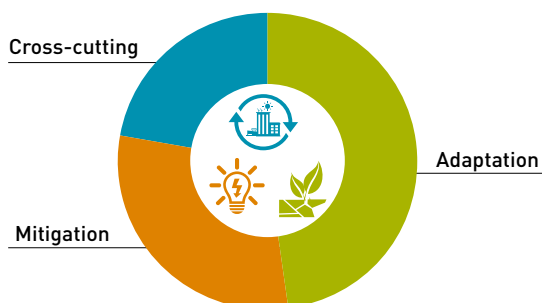


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## Effective climate aid: acting early, acting strategically and acting together for improved livelihoods

A snapshot on Sida's work on climate adaptation and implementation of the Paris Agreement.

Sida supports the three overarching objectives of the Paris Agreement through strategic investments in climate change adaptation, emission reductions (mitigation), and cross-cutting measures that enable climate-aligned financial flows and systems. The climate support is guided by partner countries' nationally defined climate priorities and climate and development plans.



Adaptation has consistently constituted the largest share of Sida's climate portfolio, reflecting long-standing priorities to address climate impacts that directly affect livelihoods, food security, health and development outcomes in partner countries.

There is an urgent need to build resilience in Sida's countries and in local communities, particularly for people living in poverty as they are the most vulnerable to climate change impacts, such as droughts, storms, floods, heatwaves and rising sea levels. Current adaptation finance meets only a fraction of needs. The Adaptation Gap report by UNEP 2025 updates the cost of adaptation finance needed in developing countries, putting it at USD 310 billion per year in 2035, when based on modelled costs. That is 12–14 times as much as current flows.<sup>1</sup>

Many countries face severe barriers to adaptation and mitigation, from fragmented policy frameworks, weak institutions and governance, to a lack of financing, technology, and meaningful participation by stakeholders.<sup>2</sup> To address these barriers, Sida works together with a broad range of partners, such as national and local governments, civil society, the private sector, academia, multilateral organisations, and Swedish actors through Team Sweden, to deliver solutions that are sustainable, inclusive and transformative. Sida

<sup>1</sup> UN Environment Programme (2025). Adaptation Gap Report 2025: Running on Empty ; Summary and chapter 4

<sup>2</sup> UN Environment Programme (2025). Adaptation Gap Report 2025: Running on Empty; IPCC (2022). Climate Change 2022: Impacts, Adaptation and Vulnerability.

supports country ownership and helps translate investable plans into implementation on the ground, through innovations, technology, policy dialogue, capacity development and financing.

Sida's climate aid is not only about responding to today's climate shocks. It is about enabling people, communities and societies to build resilience and capacity to thrive in the future. By combining financing, innovation, technical assistance and inclusive partnerships, Sida contributes to a just green transition that delivers on the Paris Agreement and helps achieve the Sustainable Development Goals.

### CLIMATE ADAPTATION MATTERS

Climate change is one of the defining challenges of our time. According to UNEP's Emissions Gap Report 2025, even full implementation of current national climate pledges would still leave the world on track for around 2.3–2.5 °C warming this century, which is far above the Paris goals.<sup>3</sup> Without urgent action, the window to limit climate change and secure sustainable development is rapidly closing.

Millions of people are affected by the impacts of climate change.<sup>4</sup> According to the Notre Dame Global Adaptation Index (ND-GAIN), the countries that are most vulnerable to climate change are often the least prepared to cope<sup>5</sup>; many of them are Sida's partners. Within these contexts, women, children and marginalised groups are hit the hardest. The impacts of climate change deepen food and water insecurity, increase health risks, multiply threats causing displacements, and cause severe economic losses.<sup>6</sup>

Evidence from large-scale analyses of adaptation and resilience investments indicates that every dollar invested in adaptation can yield more than ten dollars in societal benefits, including avoided losses, reduced risks and more resilient livelihoods.<sup>7</sup> Early support through anticipatory action has proven particularly effective in fragile contexts, where timely interventions can save lives, protect livelihoods and reduce humanitarian costs.<sup>8</sup>

### SIDA'S WORK WITH ADAPTATION FOR RESILIENT SOCIETIES

Sida's climate aid is designed to be both strategic and catalytic, focusing on where it can have the greatest impact.

To deliver effective climate support, Sida, together with partners, builds on countries' own climate and development priorities, including Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and long-term low-emission development strategies (LT-LEDS). By prioritising country ownership, policy coherence and reform-oriented approaches, Sida supports a just green transition anchored in national implementation pathways.

By investing in climate change adaptation, Sida seeks to deliver multiple co-benefits, including strengthened livelihoods, biodiversity conservation, access to food and water, and the protection of people's human rights.

**Locally Led Adaptation** - One of the key aspects of Sida's work within climate adaptation is ensuring that climate finance reaches the local level, where it is most needed. In 2021, Sida endorsed IIEDs eight principles for Locally Led Adaptation.<sup>9</sup> Sida is currently providing support to various locally-led adaptation initiatives and is committed to facilitate inclusive, locally-led adaptation action in vulnerable contexts.

### FIVE IMPORTANT CONDITIONS FOR CLIMATE INVESTMENTS

Ahead of COP30, representatives of the Swedish business delegation together with Sida identified five conditions critical for climate investments.<sup>10</sup>

The examples below illustrate how Sida applies these conditions in practice by creating enabling environments, acting strategically to unlock investment, and working together with partners to mobilise both public and private capital for climate action and resilience.

#### 1. Clear and predictable goals – Country ownership and alignment.

Supporting ambitious, evidence-based national climate plans, Nationally Determined Contributions (NDC) and National Adaptation Plans (NAP), and long-term strategies, (Long Term Low-Emission Development Strategies, LT-LEDS) is the starting point for Sida's support. Clear ownership and clear goals leads to predictability, which is essential to reduce risk, mobilise capital and promote innovation. Sida helps partner countries raise their ambitions, strengthen implementation, and attract investment into their own priorities.

#### Examples:

<sup>9</sup> IIED: [Principles for locally led adaptation | International Institute for Environment and Development](#)

<sup>10</sup> These 5 priorities were communicated in a joint article in Dagens Industri, Nov. 2025, prior to COP30 and signed by Sida's Director General.

<sup>3</sup> UNEP (2025) Emissions Gap Report: Nairobi

<sup>4</sup> IPCC (2022) AR6 (WG II) – Impacts, Adaptation and Vulnerability

<sup>5</sup> ND-GAIN Country Index

<sup>6</sup> World Bank (2023) Women, Gender Equality and Climate Change: Country Briefs; van Daalen, K.R., et al (2024). Bridging the gender, climate, and health gap: the road to COP29; The Lancet Planetary Health; UNFPA (2024) Disaster displacements disproportionately impact women, girls in fragile contexts; UNHCR (2025) Global report 2024 – Executive summary, United Nations High Commissioner for Refugees

<sup>7</sup> WRI (2025), "Strengthening the Investment Case for Climate Adaptation: A Triple Dividend Approach".

<sup>8</sup> OCHA (2025). Anticipatory Action: Smart, Fast and Cost-Effective Humanitarian Assistance

- **Asia-Pacific** - [UNDP/UNCDF LOCAL Climate Finance Governance](#): Sida's support to UNDP/UNCDF aims to strengthened climate finance governance and access to climate finance across Bangladesh, Cambodia, Nepal, the Solomon Islands and Tuvalu, with a focus on integrating climate considerations into public financial management, enhancing local capacities, promoting gender-responsive approaches and fostering regional cooperation.
- **Global** - [NDC-Partnership](#): Sida supports the NDC Partnership, where Sweden is an active member of the Steering Committee. Nearly 100 countries receive support to develop and implement their national climate plans including strengthened adaptation planning and resilience.
- **Global** - [IFAD climate adaptation, resilience and insurances, Green transition](#): The programme supports country ownership by aligning investments with partner countries' national development strategies, climate plans (including NDCs and NAPs), and locally identified priorities.

## 2. Policies that enable climate-resilient investment.

Sida supports partner countries in designing policies that phase out fossil fuel subsidies, promote renewable energy, strengthen carbon pricing, and encourage circular economy solutions, while also strengthening climate resilience and adaptive capacity.

### Examples:

- **Latin America** - [IDB Amazonas Forever](#): The purpose of the Amazon guarantee, issued to the Inter-American Development Bank (IDB), is to unlock IDB financing towards projects promoting the protection and sustainable development of the Amazon biome. The guarantee enables investments that may not be prioritized by the countries under their ordinary lending capacity. The guarantee, with a tenor of 22 years, expands the IDB's lending scope by approximately USD 460 million in the areas of sustainable and resilient landscapes, sustainable forestry and conservation, and bio-economy in the Amazon region.
- **Kenya** - [The Financial Sector Deepening Program \(FSDK\)](#): Sida co-finances the FSDK Trust, which works to develop a more inclusive financial sector and expand access to financial services for people living in poverty in Kenya. The programme works with financial institutions, policymakers and other stakeholders to improve financial solutions, support policy reform and remove barriers to inclusion, helping strengthen financial health, resilience and opportunities for underserved communities.

## 3. Standards and procurement as drivers of change.

Sida works at global, multilateral, and bilateral levels to strengthen sustainability, transparency, and accountability in public procurement. Sida supports the development of clear sustainability standards and green procurement systems that create demand for sustainable and circular solutions, while integrating climate risk, resilience and adaptation considerations into public investment and infrastructure decisions.

### Examples:

- **Global** - [The Public-Private Infrastructure Advisory Facility \(PPIAF\)](#): is a multi-donor trust fund managed by the World Bank and supported by Sida. It is a global facility that strengthens the policy, regulatory, and institutional foundations for private sector investment in infrastructure in emerging markets and developing countries. PPIAF also supports governments to build capacity for the procurement and development of sustainable, green infrastructure.
- **Global** - Action through e.g. [Transparency International](#) and [the Open Government Partnership](#): Sida promotes Sustainable and Transparent Procurement at the global level by supporting organisations such as Transparency International and the Open Government Partnership, to strengthen procurement standards and reduce corruption in public procurement systems.

## 4. Capacity development and knowledge transfer.

Sida invests in stronger institutions, transparent governance, and partnerships that connect national, regional and local levels to strengthen climate adaptation and resilience. The support helps to remove obstacles to investments in climate adaptation, including weak institutional capacity and corruption, and promotes innovation, research and scaling of climate-resilient solutions.

### Examples:

- **Zimbabwe** - Anticipatory Action, [Climate Adaptation for Rural Livelihoods \(CARL\)](#): Sida supports Oxfam and the Swedish Meteorological and Hydrological Institute (SMHI) to strengthen Zimbabwe's meteorological and hydrological institutions and build capacity for early warning, climate-smart agriculture and water management in line with Zimbabwe's NDC.

When the worst drought in 40 years hit Zimbabwe in late 2024, Sida's anticipatory action approach enabled rapid reprioritisation through crisis modifiers within ongoing development programmes. Acting on early warning signals reduced acute needs and helped safeguard the 2024–2025 farming season, demonstrating how linking long-term system strengthening with flexible crisis mechanisms builds real resilience in climate-exposed contexts.

- **Tanzania – [TAHA/Growing Wealth through Horticulture](#)**: Sida strengthens institutional capacity and knowledge transfer across the horticultural value chain by supporting TAHA to train farmers in sustainable and climate-smart practices, facilitate compliance with quality and certification standards, and improve market access, thus removing key capacity-related barriers to investment while delivering economic and environmental benefits.
- **Moldova – [UNDP Resilient Communities](#)**: Sida supports the UNDP program Sustainable and Resilient Communities through Women Empowerment. Through a gender-responsive approach (plans, training and practice) this program aims at enhancing the beneficiaries (communities and women entrepreneurs) access to alternative income generation activities based on sustainable and resilient management of natural and agricultural resources.
- **Sida's International Training Programme (ITP) – [Locally Controlled Forest Restoration \(LoCoFoRe\)](#)**: LoCoFoRest is an International Training Programme (ITP) financed by Sida and led by [the Swedish Forest Agency](#), in partnership with the Stockholm International Water Institute and the Eco-Innovation Foundation. The programme builds capacity in national, regional and local organisations to strengthen governance, market-oriented approaches and institutional frameworks for forest landscape restoration. LoCoFoRest focuses on enabling locally controlled restoration that supports sustainable livelihoods, resilient landscapes and improved ecosystem services such as water and biodiversity

## 5. An inclusive and just transition.

Sida provides support that ensures that women, youth, Indigenous Peoples and local communities are meaningfully included in climate-related decision-making and implementation, strengthening locally led climate action, resilience and a just green transition.

## Examples

- **Kenya – [Financing Locally Led Climate Action \(FLLoCA\)](#)**: FLLoCA is implemented by the World Bank in collaboration with Kenyan authorities and local communities and supported by Sida. This collaboration aims to assess climate risks and identify and prioritise local investments to enhance resilience and reduce emissions. The investments include preserving and sustainably using water resources, improving water access and efficiency, supporting sustainable natural resource management, rehabilitating degraded land, promoting early warning systems and preparedness, encouraging renewable energy sources, and implementing other climate solutions that directly address the needs and priorities identified by local communities.
- **Bangladesh – [the Local Government Initiative on Climate Change \(LoGIC\)](#)**: LoGIC is supported by Sida and aims to strengthen local governance and community resilience to climate impacts. The programme empowers vulnerable communities, particularly women and marginalised groups, to plan, implement and finance locally led climate adaptation solutions. By combining grants, capacity development, and institutional strengthening, LoGIC enhances local governments' ability to integrate climate risks into planning and budgeting.
- **Liberia – [Supporting A Green/Blue Economy: Blue Ocean Program](#)**: Sida supports an inclusive and green transition by strengthening institutional capacity, governance and knowledge for sustainable fisheries and the blue economy, while enabling women and young professionals to access skills development including that improve livelihoods and support marine and mangrove conservation.
- **Global – [Minority Rights Group \(MRG\) – Inclusive Climate Resilience](#)**: Sida supports the MRG, a global rights-based organisation working to ensure that minorities and Indigenous Peoples can fully exercise their human rights and participate in decision-making. By promoting inclusion, participation, and accountability, MRG contributes to equitable climate adaptation and resilience, ensuring that no group is left behind in the green transition
- **Democratic Republic of Congo – [WWF Transformational climate action on landscape-scale](#)**: The programme applies a landscape-scale approach to strengthen ecological connectivity and promote a green alliance benefiting particularly local communities in the region. By promoting sustainable resource use and stronger community organisation, it contributes to climate change adaptation, poverty reduction and biodiversity conservation.

## SIDA'S ROLE IN TEAM SWEDEN – AN ENABLER AT MULTIPLE LEVELS FOR ADAPTATION

Sida is a central part of Team Sweden, working across global, regional and national levels to translate climate commitments into action. With a country presence, knowledge of local contexts, and tools such as guarantees, long-term capacity development support and support to project preparation, Sida enables governments, civil society, academia, the private sector, and Swedish actors to come together. This strengthens country ownership, supports the implementation of climate plans (NDCs, NAPs, LT-LEDs) and enhances the ability to mobilise capital. Together with partners, Sida's support helps build an enabling environment for a green and just transition, creating the conditions for bankable projects, strengthened public financial management and increased private sector engagement. By sharing and reducing investment risks, and through presence and partnerships with civil society and public institutions, Sida also contributes to lowering barriers for private actors entering new and emerging markets.

**At the national level,** Sida supports partner countries to develop and implement ambitious climate plans (NDCs, NAPs and long-term strategies) by strengthening institutions, policies and governance systems required for delivery. This includes support for climate risk and vulnerability assessments, prioritisation of adaptation measures, climate-relevant data and monitoring systems, and institutional arrangements for planning, budgeting and implementation, creating conditions for bankable projects and increased private sector engagement.

**At the regional level,** Sida facilitates coordination and knowledge exchange on shared adaptation priorities such as early warning systems, climate-smart agriculture and resilient energy systems, while supporting alignment with international sustainability standards and green procurement frameworks.

**At the global level,** Sida engages in strategic partnerships to support countries in raising ambition, strengthening implementation capacity and improving access to climate finance. By contributing to stronger and more coherent international climate frameworks, Sida helps ensure that global agreements translate into tangible results for developing countries.

Globally, Sida also promotes synergies between humanitarian action and long-term development in support of climate action. Across all levels, Sida helps reduce climate risks, protect the most vulnerable and

link development cooperation with investment opportunities for a climate-resilient and just green transition.

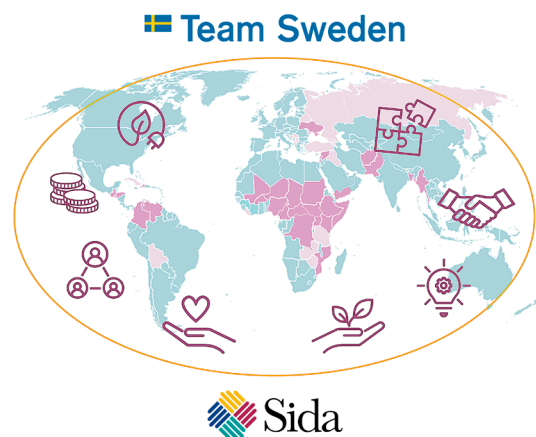
## SIDA'S ENGAGEMENT IN UN CLIMATE NEGOTIATIONS

Sida is part of the Swedish delegation to the UN Framework Convention on Climate Change (UNFCCC), contributing development cooperation perspectives to international climate negotiations. Sida is actively engaged in negotiations related to Article 7 of the Paris Agreement, focusing on adaptation and the Global Goal on Adaptation. Sida participates in EU coordination on:

**National Adaptation Plans (NAPs)** – strengthening countries' ability to plan, implement and finance climate adaptation.

**LDC Matters** – supporting the least developed countries (LDCs) in formulating and implementing their NAPs, including through technical guidance processes.

Through this engagement, Sida helps shape EU positions, contributes technical input and promotes stronger integration of adaptation, capacity-building and equitable responsibility in the negotiation process, ensuring global climate frameworks better support implementation in developing countries.



## In short: Sida and Sida's approach

Sida is Sweden's government agency for international development cooperation, working to reduce poverty and oppression. Sida contributes to accelerating the implementation of the Paris Agreement and to strengthening the effectiveness of climate finance at country level, improving livelihoods and resilience. Through close partnerships with governments, civil society, academia and the private sector, and as part of Team Sweden, Sida supports climate action based on country priorities, contributing to both adaptation and mitigation efforts and advancing a just and sustainable green transition.